The amalgamated SUN AND HERALD preserves the best traditions of each. In combination these two newspapers make a greater newspaper than either has ever been on its own.

VOL. LXXXVII.—NO. 347—DAILY.

YORK, THURSDAY, AUGUST 12, 1920.—Coppright, 1920. by The Sun-Herald Corporation, No. Y.

BRITAIN AGHAST

AT NEW CRISIS

Fear Expressed Soviet Will

Accept Challenge and Try

to Sweep Over Europe.

Special Cable Desputch to The Sun and New

YORK HERALD. Copyright, 1920, by THE BUN

LONDON, Aug. 11 .- The action by the

United States, when President Wilson

In his note yesterday demanded that

crushed, and by France to-day, when

she recognized the Government of Gen.

not connected-and there is evidence

onnected - shattered all Premier

Lioyd George's peace hopes. It was

predicted here to-day that the war

party in Moscow would take up the

challenge and break off armistice and

Thus America and France have

George tried his best to show mem-bers of the House of Commons yea-

terday was only a supposititious on

See Grave Peril in East.

The Premier in the House of Com-

mons to-night could hardly conceal

his chagrin when he said he had re

ceived no official information that the

the Hythe conference no proposal was

submitted for recognition of the South

Ask if U. S. Will Fight.

wafted by British opinion.

Downing Street is severely allent.

of lath.

Russian leader.

AND NEW YORK HERALD.

The Sun

AND THE NEW YORK HERALD

PRICE TWO CENTS

## DOCK WORKMEN SETTLE STRIKE: TRUCKMEN BACK

Longshoremen End Long Fight With Coastwise Shipping Concerns.

DRIVERS ON JOB TO-DAY

Pier Men Will Ratify Settlement by Vote at Meeting To-night.

WILL MOVE ALL FREIGHT

Unions Yield to Demand That All Merchandise Be Moved Without Discrimination.

Sattlement of the dock strike, which ning and freight movement since last March and threatened at one time to bring about a serious "open shop" war, was announced last night when James Je Riordan, president of the United States Trucking Corporation. reported that an agreement had been mached whereby the union teamsters | Half of 4,000,000 Heads of have consented to haul freight from the coastwise piers.

Officials of the International Longtheremen's Association admitted that striking dock workers would meet tovote to return to work.

The strike of coastwise longshoremen come tax returns indicate

Company and reated enough trucks and to \$750,000 a year were filed by 15,917 birst enough men to clear the piers regardless of union threats of a general fessed to annual incomes are readed.

They are still there. The resson for closing the bank was in a large part on closer. See who account of the condition of its loans. strike that would tie up every In-A Molitor, a former army engineer, the creased to at least 162 from 141. independent trucks went about their More than 4,000,000 heads of families

Morgan Mallory, Clyde and Savannah. With a population estimated at 105.
The amount of freight handled was only 999,000 the United States now has a a small percentage of the entire freight movement of the port, but the principle each 2,100.

with the union men back on the job the \$100, officials said. nants Association has announced or boycotts that threaten New York's

### Text of Statement.

Mr. Riordan in his statement said : morning, August 12, 1920.

This arrangement now makes it the offenders. freight for all steamship lines, including the four coastwise lines—the Morgan, Mallery, Clyde and Savannah lines, re-

in addition to the reopening of the men the arrangement just completed also ers if possible for all freight coming going to the coastwise lines handled by union teamsters. small share of the success of this settleis due to the public spirited atti-

### VILLA TO HELP BUILD THE MEXICAN NATION

Followers Will Be Paid Off and Dismissed.

in that they can "build as well as of Provisional President de la As the vargu

here to-day on special troop building, keeping back the Tlabualilo, State of Durango, was still uttering threats. they will be paid off and dis-

John Muir & Co., 61 Broadway-Ade.

Gold Exports Increase \$350,000,000 in Year

WASHINGTON, Aug. 11.— Gold exports from the United States increased by more than \$350,000,000, while silver exports fell off more than \$122,-000,000 during the fiscal year ended June 30, according to trade summaries made public today at the Department of Commerce. Imports of silver, however, advanced approximately \$34,000,000 and gold imports in creased more than \$88,000,000

Exports of gold during 1920 amounted to \$466,592,606, compared with \$116,575,535 the previous year, while imports of gold last year totalled \$150,540,200, against \$612,363,733 in 1919. Silver exports for 1920 aggregated \$179,037,260, as against \$301,174,550 in 1919, and imports of the metal amounted to \$102,899,506, compared with \$78,825,266 year before last.

# U. S. NOW 20,000

has interfered with coastwise ship- Census Returns Show Also 162 Persons Have Incomes of \$1,000,000 or More.

Families Filing Reports Are in \$2,000 Class.

piers to-day. They added that the Special to THE SUN AND NEW YORK HELLD. WASHINGTON, Aug. 11 .- Approxiperrow night in St. Veronica's Hall, mately 50,000 persons now may class-Washington and Barrow streets, and ify themselves as members of the Montreal in 1908, he said he had ac- to him.

walked out for an increase of 15 cents here, includes the members of the Atlanta for smuggling five Italians which would make their pay families of 20,000 persons who in their late the country within ten days of equal to the deep sea wage. It has been returns confessed each to an income the time he was released from his sor of the longest and most stubborn of at least \$50,000 in 1919. This is the Canadian term came a short time later. fghts in the history of the harbor unions. lowest probable return on \$1,000,000. His greatest grief, he declared, was The truckmen, in sympathy, boycotted course, would include many high sal- said he "loved greatly," learn of his the coasswise piers, completely tying up aried executives. Some of these no past. He had never told her, he added. but it flow wide open again as the detection all incoming and outgoing freight until doubt could not show a capital wealth. The Bank Commissioner, in explain-

gandless of union threats of a general fessed to annual incomes ranging from \$750,000 to \$1,000,000. Persons with incomes of more than \$1,000,000 in the dustry in the city. Under Col. Frederick 1919 return are estimated to have in-

the union truckmen return.

believed to represent families whose the standard line affected were the affinal income was \$2,000 or less.

"millionaire group" numbering one in lived was the right of any group of Under special applications from Conlabor to discriminate against non-union gress the Internal Revenue Bureau is

goods. The citizens' committee has taken | checking over returns to detect delinseveral cases to court and won favor- quents. Bureau officials say many mil- provided by law, I do not know." shie decisions, together with injunctions floor thus will be brought into the Treastestraining the labor unions from dis-grimination. To collect the income and excess

Although the Citizens Trucking Com-profits tax, exclusive of the checking pany will retire from active business over of the returns, costs 55 cents on Approximately \$4,000,000 was col-

that the organization will be kept alive lected by the bureau under a national as a permanent weapon against strikes investigation begun June 18 to get in delinquent taxes on sales of luxuries, theatre admissions and transportation charges. The investigation is being pushed in

all big cities by flying squads of revenue be deported. He wants to remain to a found inside a crowd of twenty-four agents armed with full authority to com- country, he declares. Immigration Combadly frightened men and walls and badly frightened men and walls and tables covered with racing charts and be United States Trucking Corpora- pel the opening of books, papers and ton announces that by an arrangement other documents by persons and con-just completed with the teamsters' union corns suspected of having falsified rethe coastwise steamship lines are to be turns. Persons believed to have knowl-feopened to its employees Thursday edge of fraudulent returns can be summoned and made to give testimony under

men's union and the teamsters' union to "amended" tax returns, which generally bring about a settlement of the coast- showed a larger tax due the Government. difficulties, and the arrangement in these cases the bureau accepted the fust effected is the first tangible result amendment and the additional tax, of its efforts in that direction.

### **NEGRO ESCAPES 500** HOBOKEN LYNCHERS said.

tostwise steamship lines to union truck- Lone Cop Saves Man Accused of Insulting Woman.

> crowd numbering more than five hun- Lexington mansion is heavily guarded dren men from lynching James Serguant, and Ponzi himself is keeping a pistol a negro, accused of insulting a white with him at all times. Even before he woman, Mrs. Josephine Peterson of 258
>
> Newark street, Hoboken. A solitary policeman with drawn revolver stood off the reporters. He showed the weapon liceman with drawn revolver stood off the reporters. He showed the weapon the crowd in front of a motion picture then and again later in the day. He

Early in the evening John Peterson, the woman's husband, reported the insult at police headquarters, but was told he Mexico (Trv. Aug. 11.—Francisco Villa should make his complaint in court, at his followers will be a reliable whereupon he went home evidently disils followers will show the Mexican satisfied. A few hours later a crowd gathered and caught Sergeant at Newark scording to a manifesto signed and Clinton streets, beating him severely week, Attorney-General Allen has asked and his officers, the text of until he escaped and ran two blocks to The manifesto praises the "good darted, the crowd following and shout-

As the vanguard of the pursuers President de la Huerta will meet Villa the near future, according to a destate to fine per future, according to a destate to fine per future, according to a destate to fine per future, according to a destate to shoot the first one who tried to enter, while Bernard M. McFeely. City Commissioner, who happened to be passing, sent in a riot call. A score of reserves drove back the throng while the negro

The Petersons were admitted to the station and made a formal complaint and Screent was locked up on a charge of disorderly conduct. A surgeon was sum-moned to dress the prisoner's injuries, including one deep cut over his eye, of Ponzi's Montreal conviction for a

PONZI ADMITS SERVING TIME; BANK IS CLOSED

Solvency of Hanover Trust Detectives With Revolvers Company Questioned by State.

LOAN LAW VIOLATED FIND RACING CHARTS

Time in Canada for Forgery.

SHIELDED BOSS, HE SAYS CROWD CHOKES STREET

Sent to Atlanta for Bringing Two Held on Gambling Charge Italian Immigrants Across

Special to THE SUN AND NEW YORK HEIALD. sion of developments in his "frenzied in the rush message he carried yes-JUMP FROM WAR PROFITS lants, Ga., came the action of Bank the Forty-fifth street fire escape of Baron Peter Wrangel, has, whether or Company, the institution through and he recognized the two men as Dewhich the "wizard" has done most of tectives Charles McGovern and V. J. purchased a quarter interest. At the Squad, and he was convinced that they tion from the bank's directorate.

In his confession that he is the tank clerk who was sentenced in cepted guilt to shield his employer, whose four children he pitied. His was called on March 12, when the men The group, as unofficially computed confession regarding the two years at Under this definition the group, of in having his young wife, whom he

brak the deadlock.

This committee, backed by the six attention for the considerably the militonaire group. In 1917 it numbered only slightly more than 16,000.

They are still there. The reason for the closing of the Hanover Trust two huge revolvers.

"Hey, Jimmy!" he yelled. "Lookit two dicks on the fire escape wit' guns!"

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trary to law and against the direction looked to see what the dozen saw, and of the Commissioner of Banks, has given Charles Ponzi-either Ponsi him- fifty saw, and after that it was merely given Charles Ponzi—either Ponzi him-self or one of his agents—almost \$500,-the messenger boy had yelled the tidings of Washington and Paris than it has business undisturbed. Col. Molitor has liminary estimates of Internal Revenue self or one of his agents—almost \$500.— the messenger boy had yelled the Lunnar said that he will cease operation as soon Bureau officials. At least one-half are 500 of the \$1,500,000 certificates of de- a crowd of several hundred people milled and pushed about the corner of Broad-

statute covering the law on the matter. way and Forty-fifth street, getting in as a means of stopping the gigantic "I had directed the trust company not to pay out any part of that certifi-cate of deposit. Nevertheless, almost half a million dollars has been paid out. Whether there is any penalty ing the offense aside from a \$1,000 fine Commissioner Allen, asked whether

the bank was insolvent, said: "I do not know." It is understood that some State theatre funds are in this bank.

trust company's directors, said Ponsi obtained an interest in the institution after he had been investigated by bank officers. He said Ponzi had been recommended by responsible citizens and nothing had been discovered to his detriment.

"If Ponzi committed a crime within five years of his entrance into the United States he would be liable to deportation. understand he went to Canada immediately upon his arrival here and This corporation has been working oath.

In some time in cooperation with the Merchants Association, the longshore- cerns in some cities began to send in country from Canada. country from Canada.

"If he has a criminal record in Canada he probably came into this country without inspection. If he did and made false and untruthful statements he is unlawfully."

At the conclusion of the present inrestigation into Ponzi's affairs a report will be sought on his status as a possible undesirable alien, the Commissioner

### Fears Personal Violence.

Ponzi declared to-night that he feared he developments might arouse some people against him and he is taking ex-Police reserves were called out last traordinary measures to prevent any at-night in Hoboken to prevent an angered tack upon him or his household. His RUSSIA AND FINLAND theatre in which the negro took refuge made the comment that the defenders until the reserves arrived. at his home had been told to "shoot Russia and Finland agreed upon armisprowlers first and investigate after-

Meantime, the status of his postal exchange business remains a mystery. Contrary to report, the examination of prace treaty with Russia on Wednes-auditor Edwin Pride is not yet com-day, says a despatch to the London plete, although it should be done this Times from Riga. that all remaining note holders report to him at the State House, and scores

Ponzi reiterates that his assets are

sufficient to meet all the notes out against him, with plenty to spare, A genuinely remarkable situation ex-sts. Despite the disclosures so detrimental to Ponzi's cause, the number of persons whose confidence in the "wizard" is unshaken is surprising. Every drove back the throng which agon and where one meets men and women who was hustled into a patrol wagon and where one meets men and women who lader and its approximately 900 followers building, keeping back the crowd, which leaves but here to-day on special troop building, keeping back the crowd, which coupon proposition is "on the level,"
Attorney-General Allen made the an-

Continued on Seventh Page

cement to-night that he had known

# BROADWAY RAID FRANCE SPLITS WITH GREAT BRITAIN; BEFORE THRONG RECOGNIZES WRANGEL; FIGHTS REDS; TRAPS 24 MEN

Climb Fire Escape of New, York Theatre.

'Wizard' Served Place Operated Under Name of a Film Company on Fifth Floor.

and Others as Disorderly Persons.

A messenger boy at Forty-fifth Boston, Aug. 11.-Charles Ponzi's street and Broadway left off scratchnerve broke to-day under the succes- ing his ear and wondering what was finance" affairs. Rapidly on the heels terday afternoon about 4 o'clock when the Russian Soviet Government be of his confession that he had served he saw two men come cautiously prison sentences in Montreal and At- around the corner and set foot upon Commissioner Joseph C. Allen in clos- the New York Theatre building. The ing the doors of the Hanover Trust messenger boy knew his Times square, from Paris that the two moves were his business and in which he recently Schoenholz of the Special Service same time he announced his resigna- offered far greater possibilities of ex- peace negotiations with the Poles and citement and diversion than either his press on in their attempt to conquer

He greeted them casually, as friends and equals, but they paid no attention to hem. He watched them with absorbed interest as they climbed slowly George tried his best to show memup the fire escape, while some one some where fretted and fumed over a delaye. telegram. The detectives stopped at the first landing of the fire escape and looked down. The messenger ... "Hey! Whatcha doin'? The messenger boy yelled

"S-s-s-sh !" Here's the Thrilling Part.

The messenger boy's mouth closed ing the closing of the Hanover Trust peeked into a window and then drew

under the fire escape. Half a dozen other Britain, in his opinion, would not allow copie looked to see what the taxicab herself to be pledged to unlimited mili-"The Hanover Trust Company, con- chauffeur saw, and then fifty others tary adventure is Russia. then a hundred looked to see what the this declaration.

selves hugely. The crowd had not the slightest idea what they were waiting for. All they could see was two men squatting on the fire escape, their guns by this time restored to their pockets. But as a matter of fact Detectives McGovern and Schoenholz were participating in a raid on an alleged poolroom on the fifth floor of the building. While they climbed up the fire escape and drew the huge William S. McNary, chairman of the crowd Detectives John Cordes and John Cronin walked up the stairs and rapped at a door on the fifth floor, which pro-claimed itself the office of a film com-

There was no answer to the rap, so Cordes shoved his foot through the glass Ponzi expressed great fear he would door, and then he and Cronin bounded be deported. He wants to remain in this into the room. They said later that they tables covered with racing charts and

betting slips.

Prisoners Pass in Review. Cordes guarded the prisoners while Cronin slipped out and telephoned the West Forty-seventh street station, and in a few minutes two patrol wagons clanged through the streets and backed up to the theatre building. By this time the crowd was so large that it jammed Broadway from curb to curb, and traffic was in a hopeless tangle. Traffic men from several blocks up and down came and straightened things out, but it took them half an hour to do it. After considerable difficulty with the crowd the detectives loaded their prisoners into the wagons and sent them to the West Forty-seventh street station, where twen ty-two of them were charged with disorderly conduct. The other two were charged with keeping rooms for gam-

### AGREE ON ARMISTICE Letvia Signs Treaty With

Lenine Government. HELSINGFORS, Finland, Aug. 11 .-

Lennon, Aug. 12,-Letvia signed

An official despatch received in Lon don Tuesday said peace negotiations between Letvia and Soviet Russia had resulted in an agreement on all out-standing points and that a provisional peace treaty would be signed immedi-

DAILY ISSUES

### Premier of Britain Refuses to Believe France Has Recognized Gen. Wrangel

WILSON NOTE UPSETS PEACE HOPES

By the Associated Press. LONDON, Aug. 11 .- Premier Lloyd George in the House of Commons to-night made this statement regarding the report from

Paris that France had recognized Gen. Wrangel in South Russia: Action of U.S. and France in "I feel sure if Premier Millerand had had it in mind to issue a Denouncing Reds Is Blow proclamation recognizing Gen. Wrangel he would have intimated it to the Nation. to the allied representatives. Therefore I must come to the conclusion that some unfortunate mistake has occurred in the report, given through a very reliable agency (Reuters), and that the French Gov-SEE END TO PEACE MOVE ernment has not authorized it."

Mr. Lloyd George proceeded to admit conflict of views between the French and British Governments respecting Gen. Wrangel, but he added that neither Government was under any obligation with respect to Gen. Wrangel, neither to each other nor as to Russia.

The Cabinet met to-night, but it was too late to obtain confirma tion of the report of the French recognition of Gen. Wrangel either from the British Ambassador in Paris or from the French Embassy in London.

The Daily Mail will say that Premier Lloyd George expressed to his colleagues the belief that the report of Gen. Wrangel's recognition emanated from some official of the French Foreign Office. He pointed out that Premier Millerand was absent from Paris Wednesday. Another opinion expressed was that the permanent staff of the French Foreign Office was in rebellion against the Government's policy, a similar incident having occurred there recently from this cause.

It will be recalled that in the British note to Moscow, suggesting a peace conference in London Mr. Lloyd George stipulated Gen. Wrangel be invited to attend. To this the Soviet Government contemptuously refused to agree. A Paris despatch yesterday said Premier Lloyd George had been notified on Tuesday of France's action regarding Gen. Wrangel.

# SUBMERSION OF LEAGUE FEARED

Wilson Will Fight to Keep Threat of Strike as Protest Great Britain were still in accord. French Government had recognized All Attention on His One en. Wrangel. He insisted that at Pet Project.

According to the parliamentary lobby correspondents of the London news-papers, the Premier's statement deep-

The Labor members loudly applauded A new Armageddon, it is held here, been at any time since July 22, when a this fall a "solemn referendum" on the Russo-Polish armistice was first sought League of Nations question, is runstrides of the Red army toward the ning into difficulties which he will Many persons here are asking if, now that President Wilson has poked stick into the hornets' nest, America he can to keep attention focussed on will take her share of the stings. "Will

Great Britain, in fact, stands aghast at the prospect of a complete domestic or allied split, or both. At the moment of gravest menace since 1914. This morning every London newspaper raised the Premier's speech, declaring he had focussed a cohernt and effective of the issue, but not an issue by itself, bollcy for the Allies, to this effect, "that as Mr. Wilson would have it. Mr. Wilif the Bolsheviki behave we will make son is very anxious, it is understood, to peace: If not, we will make war." It is have the League made more important known here that Mr. Lloyd George has by the Republican candidate instead of consistently believed that if the Bol- merely using it as a sample of the way sheviki were not irritated from without the Administration has abandoned the they would either behave or perish from interests of the American people in the

within. This premise, and every con-clusion based on this premise, has been The Administration crowd now feel blown sky high by the crossfire from that they might rest easier about their The closeness with which Mr. Lloyd ward it if he had been a little more spectorge believed he had worked in agreeleorge believed he had worked in agreement with Bussia was indicated this the President as the "heart of the covemeneff party said to a reporter for THE about, merely making the amazing SUN AND NEW YORK HERALD: statement that the Monroe Doctrine is "We have attained our objective. Po-

land was a mere pawn in the game. What was wanted was to force France to recognize the Soviet Government. That was implied in her adherence to Lloyd George's statement. We will make any reasonable terms now,"

The French Foreign Office torpedoed

Nothing could more enrage the Bol neviki than the recognition of Gen. Wrangel, who is the most dangerous challenger of the supremacy of the Soviet. Already there are plenty of persons who charge that Premier Lloyd George

stretched the interpretation of the Hythe decisions in favor of his theory and against the French in order to conciliate he bitter labor spirit, which was never manifested in a wilder fashion than i

SUNDAY ISSUES

CLOSING TIME FOR UNDISPLAY CLASSIFIED

The Sun and New York HERALD

9 P. M. at Main office, 280 Broadway.
5 P. M. at former Herald Office, Herald Building, Herald Square.
5 P. M. at all other Branch Offices.
(Locations listed on Editorial Page.)

Duty to Executive.

Special to THE SUN AND NEW YORK HEMALD WASHINGTON, Aug. 11.—President Wilson, beat on making the election strive to overcome by taking a hand in the campaign from his place on the back porch of the White House. The President will endeavor in every way the league issue and prevent any divergence from that issue by the canthe fight with us?" they ask.

The developments in Washington and didates.

Paris came as a shock to war-worn Two announcements have come to England, which was sure that at last Washington which have been serivelopments threw the Premier's Russian policy back suddenly into Alice's has done his full duty to the league wonderland; and more, the President's oristling at the very thought of even issue in his speech of acceptance and henceforth he will concentrate his treating with the present Russian Govefforts on other issues. This would be rnment and France's startling recogniin keeping with the statement made tion of Gen. Wrangel throws into the White, chairman of the doldrums the Premier's stately ship of by George Democratic National Committee, that policy, which was igunched last night with a sail to catch almost every wind the "paramount issue" would be "progressiveism" and not the Wilson There is no British opinion this after-League of Nations.

The other word which has trickled to the Presidential ear and caused a disturbance is the announcement from Marion that the sins of the present Administration would be a blanket issue with the League of Nations mess a part

pet project and Gov. Cox's attitude topant," Gov. Cox did not go into detail the "very essence" of the Article X. No one here has pretended to under-

stand just what this means.

The President, beset by the lingering fear that the candidate of his party will gradually grow colder and colder toward the League issue, may resort to keeping the League before the public in connection with the European situation similar to the present Russian-Polish crisis, and to writing statements during the campaign, constantly putting the League up as the one big idea all should have in mind next November.

### REDS SEND THREAT ON TRIAL IN HUNGARY Promise Reprisals on 1,000 if 60 Soviets Are Punished.

LONDON, Aug. 11.—A wireless des-patch received here from Berlin says Tchitcherin, the Bolshevik Minister M. Tchitcherin, the Bolshevik Minister of Foreign Affairs, has sent a wireless communication to the Hungary Foreign Minister, saying:

"In view of the forthcoming trial of sixty members of the former Hungarian Soviet Government, whom Russia is protecting, Russia has interned 1,000 Hunofficers as hostages. They will receive the same punishment as the

Traced to 'Red' Funds.

Against Aid to Poland Is

guns!"

Jimmy looked and made haste to get closer. A taxicab driver looked up to see what Jimmy was looking at, and he described bis car and stationed himself under the fire escape. Half a dozen other.

Jan the diese the Premier's statement deepened the mystery of the reported recognition of Gen. Wrangel by France.

Sir Donald Maclean, the Liberal Rumors Persist That Nominee Distrust of Bolshevik Envoys alone if this were her policy, as Great Press He Has Dona Full Groupe in Land Half a dozen other. German Alliance.

> Special Cable Despatch to THE SUN AND NEW AND NEW YORK HIMALD. serted in well informed official quarticipate. M. Cambon was told not

> ters here that the Labor demonstra- to attend these conferences even as tions last Sunday protesting against an observer. Government action against the Bolsheviki and threatening a general strike if military aid was sent to significant was the coolness manifest-Poland were financed by Bolshevist ed in the comment in official circles funds, which, the Tories charged, have here on the British Premier's speech been pouring into the treasuries of and indications that what purported British labor unions.

proof of exactly where this money strong French protest. All this had went, one of the highest police of- for a background an increasingly bitficials here informed the correspond- ter comment by the French press ent of THE SUN AND NEW YORK HER-ALD there was no doubt that Bolshevist money has come into the British official announcement was made of the Isles and has been scattered throughout the British East. This official who more than any other has been matter. charged with the investigation of these funds, expressed the conviction that there was a well formulated plan in Moscow to break up the British Empire in the East.

While the eyes of the world have been fixed on Poland the Bosheviki have practically captured Egypt, Persis and Afghanistan and have constituted themselves a really serious menace in India," he asserted.

No Way to Check Move.

This assertion was confirmed in other quarters, where it was learned that every officer in England on leave from the Near East and Far East was summarily ordered this afternoon to rejoin his command at the earliest moment

cal doctrines in England, attention was called to the fact to-day that this country, unlike the United States, has no power to deport undesirable aliens. A high official, discussing the situation, said that this was greatly to be regretted. He said also that while the police put a stop to the importation of gold from the Bolsheviki in the course of the famous Zacharias case last fall, they admitted they had no power to prevent the transfer of credits from neu-trals to British banks, whence they can be withdrawn for any purpose. The police, he said, were confident that large sums of money have come into England

Distrust of Leo Kameneff and Leonin ilice reports developing from the one time connection of Krassine as the Russian agent of the German Siemens Company. These reports align him definitely with the Leon Trotzky party in Russia-a party which dreams of world conquest the amalgamation of Russia through German organizing efficiency and under a German prince if necessary

"Lenine's High Priests."

On the other hand, Kameneff belongs to the Nikolai Lenine party, which be lieves in the Bolshevist conquest of the world by propaganda, but which is equally amenable to an alliance with Germany. Trotzky's alliance would be

Continued on Second Page. Kew Gardens Inn, Kew Gardens, L. I. Residential hotel American plan. Knott Mgt. - Adv Paris Directs Ambassador in London to Avoid Soviet Envoys.

BITTER OVER DELAY

Action of Cabinet Upsets Lloyd George's Declaration of Accord.

BLOW TO LONDON PARLEY

France to Send Military Aid to Forces in South Russia and Assist Poles.

By LAURENCE HILLS. Staff Correspondent of Tits Sun and New

YORK HERALD. Copyright, 1920, by THE SUN AND NEW YORK HERALD. Paris, Aug. 11.-Whatever may be said by Premier Lloyd George in England, France and Great Britain stand very near the parting of the ways regarding Russia. The sentimental French nation is aroused over Poland's plight, and with the exception of the extreme radicals they are holding a theory respecting the Soviet menace to Europe entirely different from that which is dictating the Brit-

ish policy. Apparently France seems resolved upon a more or less independent pollcy to protect her interests, which makes the entente seem little more that a name. This conclusion seems inescapable after several developments to-day and following the publication of the Lloyd George speech in the House of Commons yesterday. where he implied that France and

Developments Come Quickly.

Chief of these developments were: -The official announcement that France had decided immediately to recognize Gen. Baron Peter Wrangel as the head of the de facto government in South Russia and to supply him forthwith with munitions

2.—The sending of instructions to the French Ambassador in London, Paul Cambon, to stay away from Your Health. Copyright, 1920, by THE SUN all economic conferences wherein Leonin Krassine and Leo Kameneff. London, Aug. 11 .- It was openly as- Soviet envoys in London, might par-

While these developments in the French policy took first place, also to be a summary of the Soviet terms While it is impossible to obtain to the Poles would bring forth a

against England. The Cabinet held an important meetdecision to recognize and to aid Gen. Wrangel without waiting for the Minsk

negotiations or England's decision in the

Conference Hopes Spotled.

This action by France seems to spoil any hopes the British may have for a London conference, and it can be interpreted only as France's defiance of the various notes by Georgeovitch Tchitch-erin, Soviet Commissioner of Foreign Affairs to England, demanding as conlitions for the conference that Gen. Wrangel either surrender or leave Rusia, and with the further suggestion that the French be called off from giving more assistance to Gen. Wrangel, which England stopped doing last February. The presence of Krassine and Kame-

neff in the strangers' gallery of the House of Commons yesterday aroused the French Government to emphasize the instructions sent to its Ambassador in London to have no relations with Soviet Government in any form the French, it was stated, would break off

all relations with them, even though Allies could not be more Polish than Britain to prove her antipathy for the Soviet Government and have decided to act for ourselves by recognizing Wrangel, thereby showing that France has confidence in the Russian people, but is utterly opposed to the Soviet," was the statement made to the correspondent of

THE SUN AND NEW YORK HERALD to-day by a high French official In so far as the Bolshevist peace terms to the Poles are concerned, the French Krassine, Soviet envoys now here, in-see in the railroad clause a move which creased when the Government examined is to Germany's interest and in the proposal to indemnify the Polish nation s design by Leaine to win the Polish

### peasants to Bolshevism. FRENCH WILL RUSH HELP TO WRANGEL

Commissioner Will Go at Once to Sebastopol. By the Associated Press

Pagis, Aug. 11.—Concerning recogni-tion of the Russian Government of Gen. Wrangel by France the Temps says that by granting such recognition "France displays the importance which it attaches to the national character of all governments constituted in Russia. "Gen. Wrangel took measures which